

LEND-LEASE ¹

Agreement signed at Washington October 1, 1941

Entered into force October 1, 1941

Superseded by agreement of March 3, 1942 ²

1941 For. Rel. (VI) 534

Whereas the United States of America and the United States of Brazil declare that in conformity with the principles set forth in the Declaration of Lima, approved at the Eighth International Conference of American States on December 24, 1938,³ they, together with all the other American republics, are united in the defense of the Americas, determined to secure for themselves and for each other the enjoyment of their own fortunes and their own talents; and

Whereas the President of the United States of America has determined pursuant to the Act of the Congress of the United States of America of March 11, 1941,⁴ and the President of the United States of Brazil has determined, that the defense of each of the American republics is vital to the defense of all of them; and

Whereas the United States of America and the United States of Brazil are mutually desirous of concluding an Agreement for the providing of defense articles, strategic or critical materials, and defense information by either country to the other country, and the making of such an Agreement has been in all respects duly authorized, and all acts, conditions and formalities which it may have been necessary to perform, fulfill or execute prior to the making of such an Agreement in conformity with the laws either of the United States of America or of the United States of Brazil have been performed, fulfilled or executed as required;

The undersigned, being duly authorized for that purpose, have agreed as follows:

ARTICLE I

The United States of America proposes to transfer to the United States of Brazil under the terms of this Agreement armaments and munitions of war to a total value of about \$100,000,000. The United States of America proposes

¹ Arrangements for full settlement within basic terms of lend-lease agreement were effected by exchanges of notes Apr. 15, 1948, and Apr. 19, 1950; final payments were made and reported in 35th and 36th Reports to Congress on Lend-Lease Operations, pp. 2 and 3.

² *Post*, p. 909.

³ *Ante*, vol. 3, p. 534.

⁴ 55 Stat. 31.

to begin deliveries immediately and to continue deliveries as expeditiously as practicable during the coming twelve months to an approximate total value of \$15,000,000 for use by the Brazilian Army and an approximate total value of \$1,000,000 for use by the Brazilian Navy.

In conformity, however, with the Act of the Congress of the United States of America of March 11, 1941, the United States of America reserves the right at any time to suspend, defer, or stop deliveries whenever, in the opinion of the President of the United States of America, further deliveries are not consistent with the needs of the defense of the United States of America or the Western Hemisphere; and the United States of Brazil similarly reserves the right to suspend, defer, or stop acceptance or deliveries under the present Agreement, when, in the opinion of the President of the United States of Brazil, the defense needs of the United States of Brazil or the Western Hemisphere are not served by continuance of the deliveries.

ARTICLE II

Records shall be kept of all defense articles transferred under this Agreement, and not less often than every ninety days schedules of such defense articles shall be exchanged and reviewed.

Thereupon the United States of Brazil shall pay in dollars into the Treasury of the United States of America the total cost to the United States of America of the defense articles theretofore delivered up to a total of \$35,000,000, less all payments theretofore made, and the United States of Brazil shall not be required to pay more than a total of \$5,833,333.33 before July 1, 1942, more than a total of \$11,666,666.66 before July 1, 1943, more than a total of \$17,500,000.00 before July 1, 1944, more than a total of \$23,333,333.33 before July 1, 1945, more than a total of \$29,166,666.66 before July 1, 1946, or more than a total of \$35,000,000.00 before July 1, 1947.

ARTICLE III

The United States of America and the United States of Brazil, recognizing that the measures herein provided for their common defense and united resistance to aggression are taken for the further purpose of laying the bases for a just and enduring peace, agree, since such measures cannot be effective or such a peace flourish under the burden of an excessive debt, that upon the payments above provided all fiscal obligations of the United States of Brazil hereunder shall be discharged; and for the same purpose they further agree, in conformity with the principles and program set forth in Resolution XXV on Economic and Financial Cooperation of the Second Meeting of the Ministers of Foreign Affairs of the American Republics at Habana, July 1940,⁵ to cooperate with each other and with other nations to negotiate fair

⁵ For text, see *Department of State Bulletin*, Aug. 24, 1940, p. 141.

and equitable commodity agreements with respect to the products of either of them and of other nations in which marketing problems exist, and to co-operate with each other and with other nations to relieve the distress and want caused by the war wherever, and as soon as, such relief will be succor to the oppressed and will not aid the aggressor.

ARTICLE IV

Should circumstances arise in which the United States of America in its own defense or in the defense of the Americas shall require defense articles, strategic or critical materials, or defense information which the United States of Brazil is in a position to supply, the United States of Brazil will make such defense articles, materials, and defense information available to the United States of America.

ARTICLE V

The United States of Brazil undertakes that it will not, without the consent of the President of the United States of America, transfer title to or possession of any defense article or defense information received under this Agreement, or permit its use by anyone not an officer, employee, or agent of the United States of Brazil.

Similarly, the United States of America undertakes that it will not, without the consent of the President of the United States of Brazil, transfer title to or possession of any defense article or defense information received in accordance with Article IV of this Agreement, or permit its use by anyone not an officer, employee, or agent of the United States of America.

ARTICLE VI

If, as a result of the transfer to the United States of Brazil of any defense article or defense information, it is necessary for the United States of Brazil to take any action or make any payment in order fully to protect any of the rights of any citizen of the United States of America who has patent rights in and to any such defense article or information, the United States of Brazil will do so, when so requested by the President of the United States of America.

Similarly, if, as a result of the transfer to the United States of America of any defense article, strategic or critical materials, or defense information, it is necessary for the United States of America to take any action or make any payment in order fully to protect any of the rights of any citizen of the United States of Brazil who has patent rights in and to any such defense article or information, the United States of America will do so, when so requested by the President of the United States of Brazil.

ARTICLE VII

This Agreement shall continue in force from the date on which it is signed until a date agreed upon between the two Governments.

Signed and sealed at Washington in duplicate, in the English and Portuguese languages, this first day of October, 1941.

For the United States of America:

CORDELL HULL

Secretary of State of the United States of America

For the United States of Brazil:

CARLOS MARTINS PEREIRA E SOUSA

*Ambassador Extraordinary and Plenipotentiary of
the United States of Brazil at Washington*

[SEAL]